

HB0324



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB0324

by Rep. Carol A. Sente

SYNOPSIS AS INTRODUCED:

765 ILCS 77/72

Amends the Predatory Lending Database Article of the Residential Real Property Disclosure Act. Provides that if a borrower applies for a loan lacking certain features, the information required to be submitted by a broker or originator for inclusion in the predatory lending database is limited to the borrower's name, address, social security number or taxpayer identification number, date of birth, and any other borrower contact information required by the Department of Financial and Professional Regulation by rule.

LRB099 03567 HEP 23575 b

A BILL FOR

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Residential Real Property Disclosure Act is
5 amended by changing Section 72 as follows:

6 (765 ILCS 77/72)

7 Sec. 72. Originator; required information.

8 (a) Except as otherwise provided in this Section, as ~~As~~
9 part of the predatory lending database program, the broker or
10 originator must submit all of the following information for
11 inclusion in the predatory lending database for each loan for
12 which the originator takes an application:

13 (1) The borrower's name, address, social security
14 number or taxpayer identification number, date of birth,
15 and income and expense information, including total
16 monthly consumer debt, contained in the mortgage
17 application.

18 (2) The address, permanent index number, and a
19 description of the collateral and information about the
20 loan or loans being applied for and the loan terms,
21 including the amount of the loan, the rate and whether the
22 rate is fixed or adjustable, amortization or loan period
23 terms, and any other material terms.

1 (3) The borrower's credit score at the time of
2 application.

3 (4) Information about the originator and the company
4 the originator works for, including the originator's
5 license number and address, fees being charged, whether the
6 fees are being charged as points up front, the yield spread
7 premium payable outside closing, and other charges made or
8 remuneration required by the broker or originator or its
9 affiliates or the broker's or originator's employer or its
10 affiliates for the mortgage loans.

11 (5) Information about affiliated or third party
12 service providers, including the names and addresses of
13 appraisers, title insurance companies, closing agents,
14 attorneys, and realtors who are involved with the
15 transaction and the broker or originator and any moneys
16 received from the broker or originator in connection with
17 the transaction.

18 (6) All information indicated on the Good Faith
19 Estimate and Truth in Lending statement disclosures given
20 to the borrower by the broker or originator.

21 (7) Annual real estate taxes for the property, together
22 with any assessments payable in connection with the
23 property to be secured by the collateral and the proposed
24 monthly principal and interest charge of all loans to be
25 taken by the borrower and secured by the property of the
26 borrower.

1 (8) Information concerning how the broker or
2 originator obtained the client and the name of its referral
3 source, if any.

4 (9) Information concerning the notices provided by the
5 broker or originator to the borrower as required by law and
6 the date those notices were given.

7 (10) Information concerning whether a sale and
8 leaseback is contemplated and the names of the lessor and
9 lessee, seller, and purchaser.

10 (11) Any and all financing by the borrower for the
11 subject property within 12 months prior to the date of
12 application.

13 (12) Loan information, including interest rate, term,
14 purchase price, down payment, and closing costs.

15 (13) Whether the buyer is a first-time homebuyer or
16 refinancing a primary residence.

17 (14) Whether the loan permits interest only payments.

18 (15) Whether the loan may result in negative
19 amortization.

20 (16) Whether the total points and fees payable by the
21 borrowers at or before closing will exceed 5%.

22 (17) Whether the loan includes a prepayment penalty,
23 and, if so, the terms of the penalty.

24 (18) Whether the loan is an ARM.

25 All information entered into the predatory lending
26 database must be true and correct to the best of the

1 originator's knowledge. The originator shall, prior to
2 closing, correct, update, or amend the data as necessary. If
3 any corrections become necessary after the file has been
4 accessed by the closing agent or housing counselor, a new file
5 must be entered.

6 If none of the factors described in items (14) through (18)
7 apply to an individual borrower, the Department shall require
8 the broker or originator to submit only the borrower's name,
9 address, social security number or taxpayer identification
10 number, date of birth, and any other borrower contact
11 information required by the Department by rule.

12 (Source: P.A. 97-891, eff. 1-1-13; 98-1081, eff. 1-1-15.)